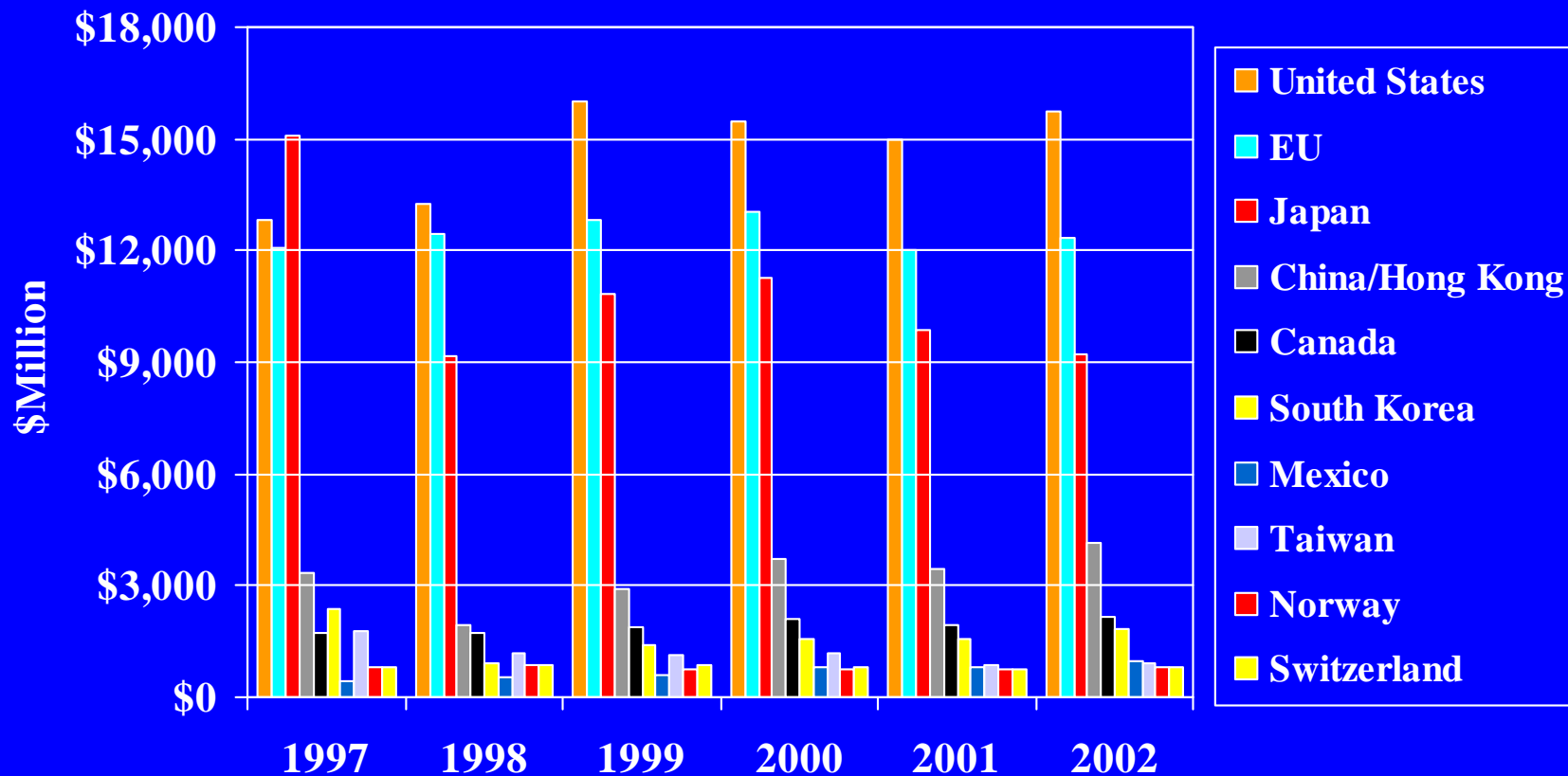


# World's Leading Wood Product Importers

- The United States is the world's leading importer of wood products, importing \$15.7 billion in 2002. Between 1997 and 2002, U.S. imports increased nearly \$3 billion. The United States' strong housing and remodeling market, coupled with the rising value of the dollar during this period, helped stimulate import demand. Imports from Canada, mostly in the form of softwood lumber, accounted for two-thirds of total U.S. wood imports. The EU is the world's second-largest wood product importer, importing \$12.3 billion in 2002. Japan is the third-largest wood product importer, with imports valued at \$9.2 billion in 2002. In 1998, Japan fell from the top position after imports decreased \$6 billion. Japan's economy had been plagued with bad loans, deflation, rising government debt and decreased housing starts.

# World's Leading Wood Product Importers

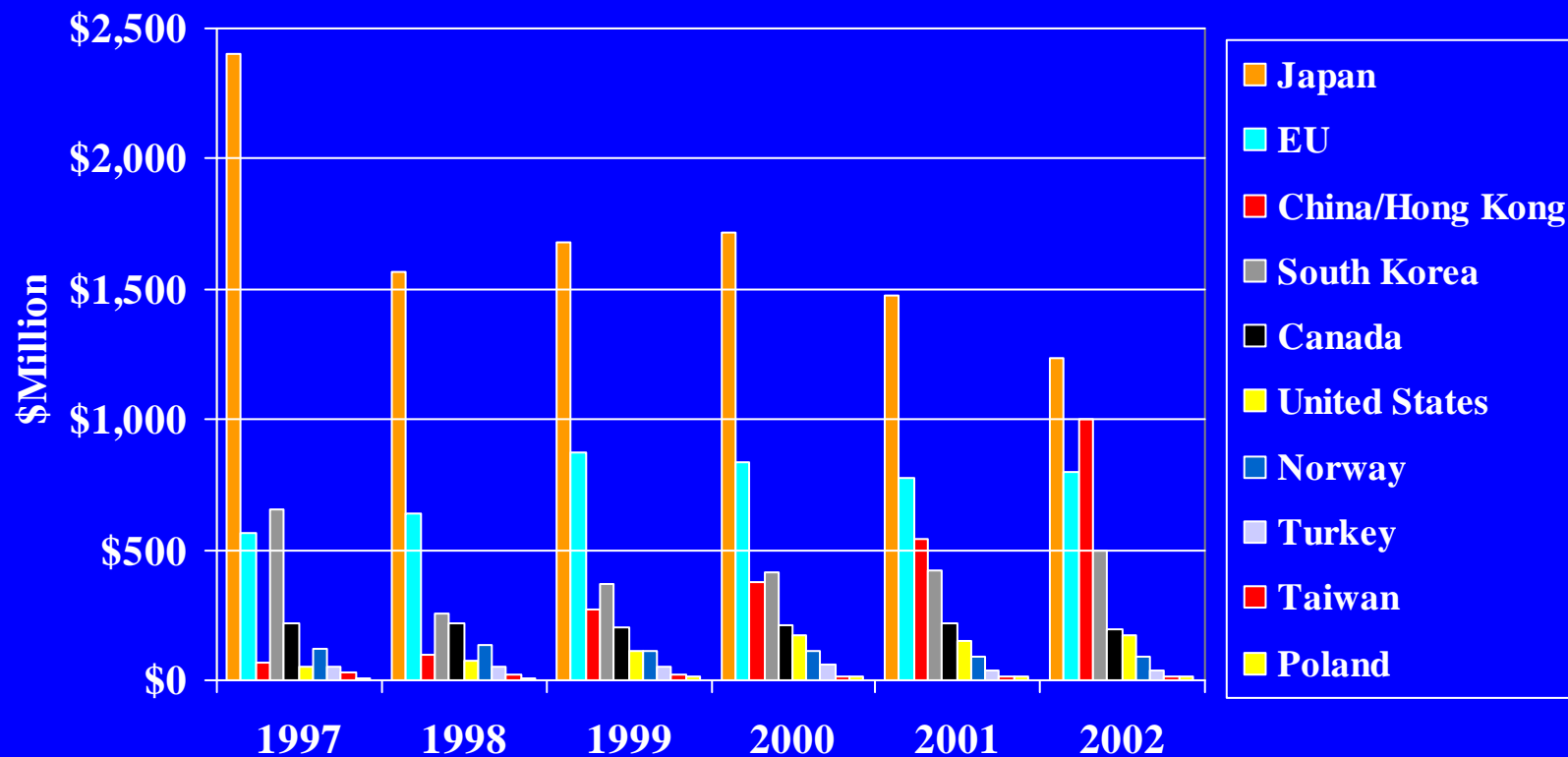


Source: Global Trade Atlas

# World's Leading Softwood Log Importers

- Japan is the world's leading softwood log importer. Between 1997 and 2002, Japan's softwood log imports decreased sharply from \$2.4 billion to \$1.2 billion. Although U.S. softwood log exports to Japan decreased over \$900 million between 1997 and 2002, the United States remained its top supplier. The EU is the second-largest softwood log importer, with imports of \$780 million in 2002. China's imports of softwood logs skyrocketed from \$50 million in 1997 to \$1 billion in 2002, making it the third-largest softwood log importer. Softwood logs from Russia accounted for over 85 percent of China's imports in 2002. As China's domestic log supply decreased, its construction, furniture, and pulp and paper industries turned to imports to meet demand.

# World's Leading Softwood Log Importers

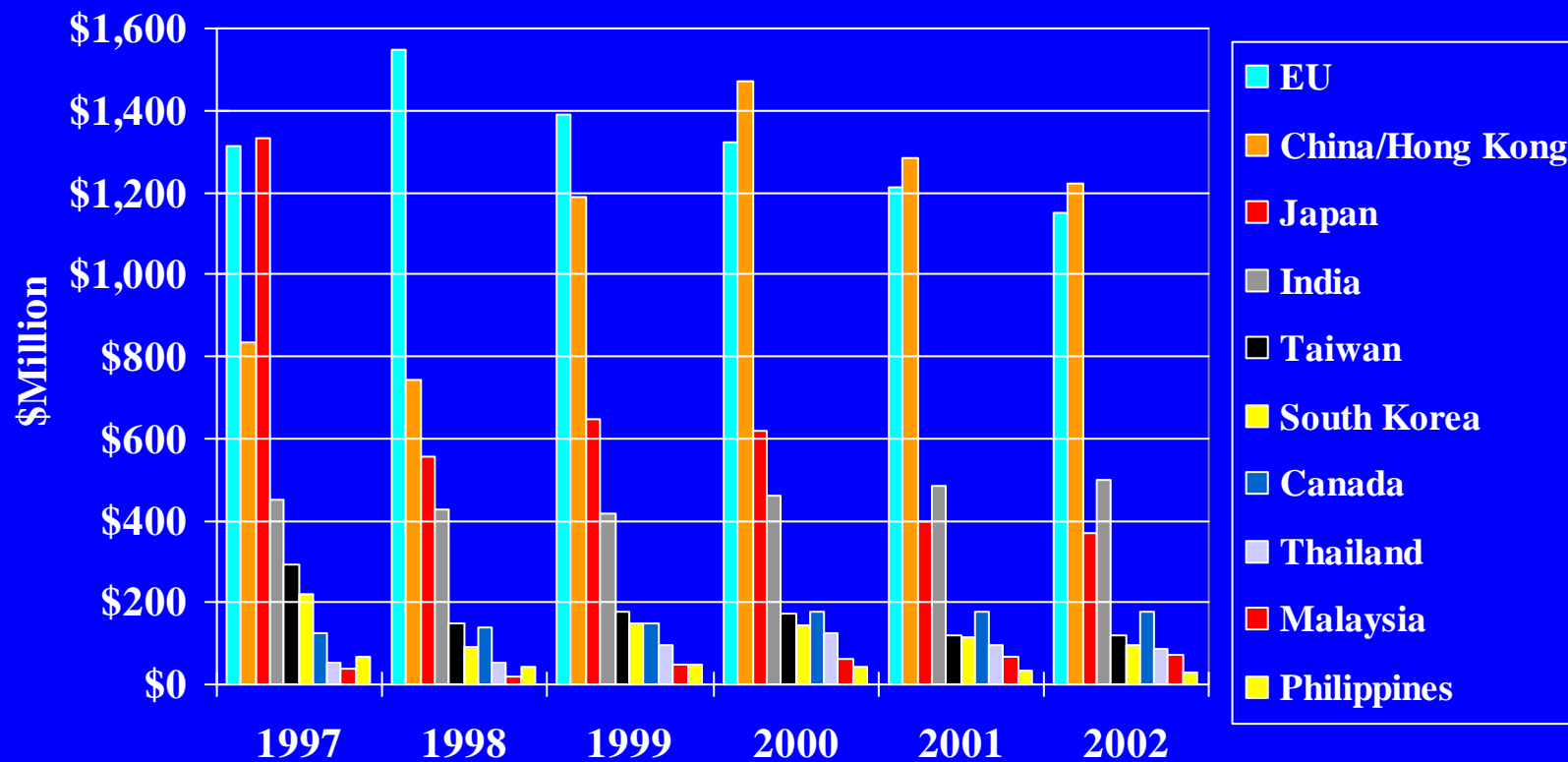


Source: Global Trade Atlas

# World's Leading Hardwood Log Importers

- China is the top importer of hardwood logs, importing \$1.3 billion in 2002. Beginning in 1999, China's imports increased rapidly as a result of reduced tariffs, a logging ban, and a growing furniture industry. With imports of \$1.2 billion in 2002, the EU is the second-largest hardwood log importer. Japan's hardwood log imports, which topped \$1.3 billion in 1997, were valued at \$550 million the following year and have since slid to \$370 million in 2002.

# World's Leading Hardwood Log Importers

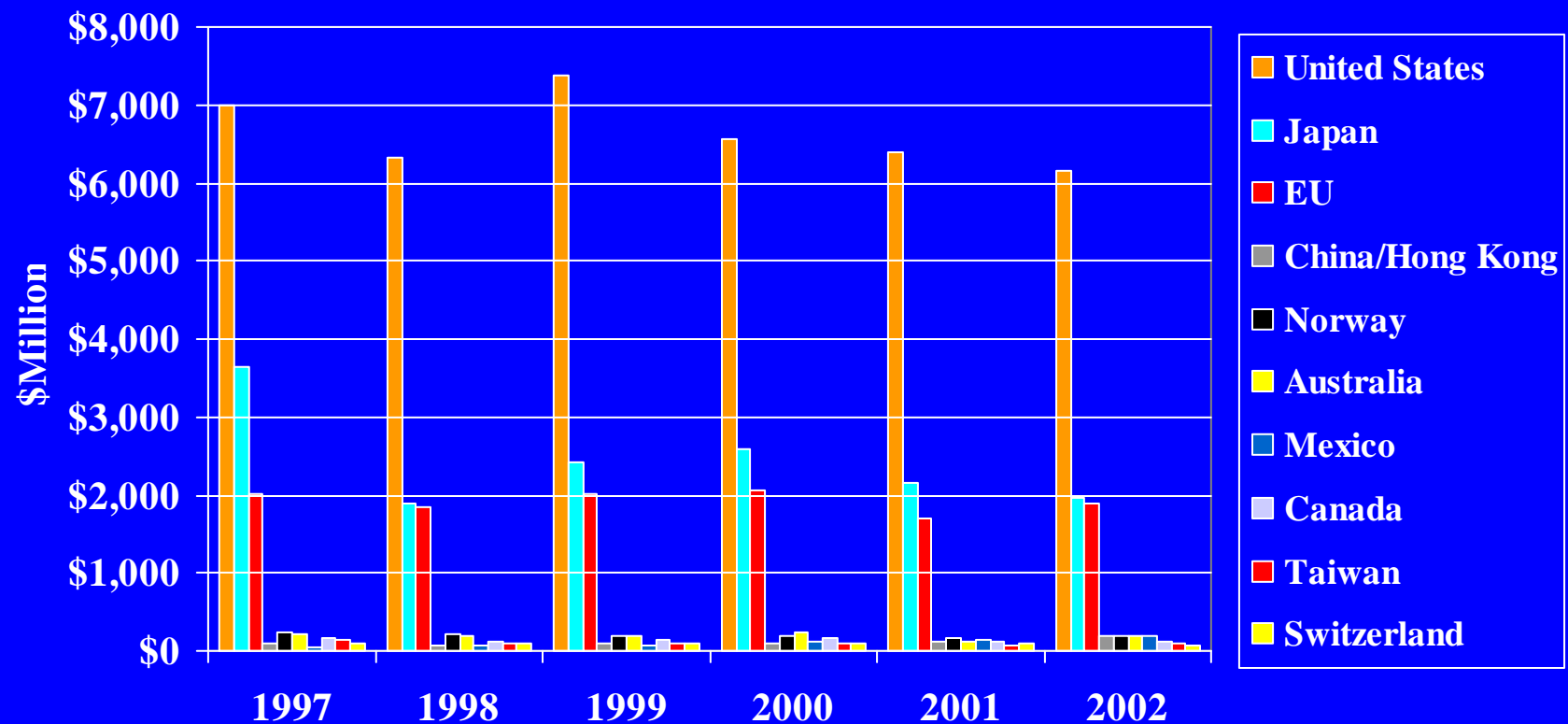


Source: Global Trade Atlas

# World's Leading Softwood Lumber Importers

- In 2002, the United States imported \$6.1 billion of softwood lumber, with Canada supplying 84 percent. Increased competition in the U.S market from New Zealand, Germany, Chile and Brazil cut into Canada's market share, which was as high as 94 percent in 1997. Strong U.S. housing starts, 1.7 million in 2002, combined with subsidized imports contributed to this high level of imports.
- Japan's softwood lumber imports decreased from \$3.6 billion in 1997 to \$2 billion in 2002. Although softwood lumber imports from the United States decreased significantly during this period, the United States was still the top supplier in 2002. Since 1997, EU imports of softwood lumber have fluctuated between \$1.7 billion and \$2.1 billion, with imports decreasing from North America and increasing from Russia and the Former Soviet Union.

# World's Leading Softwood Lumber Importers



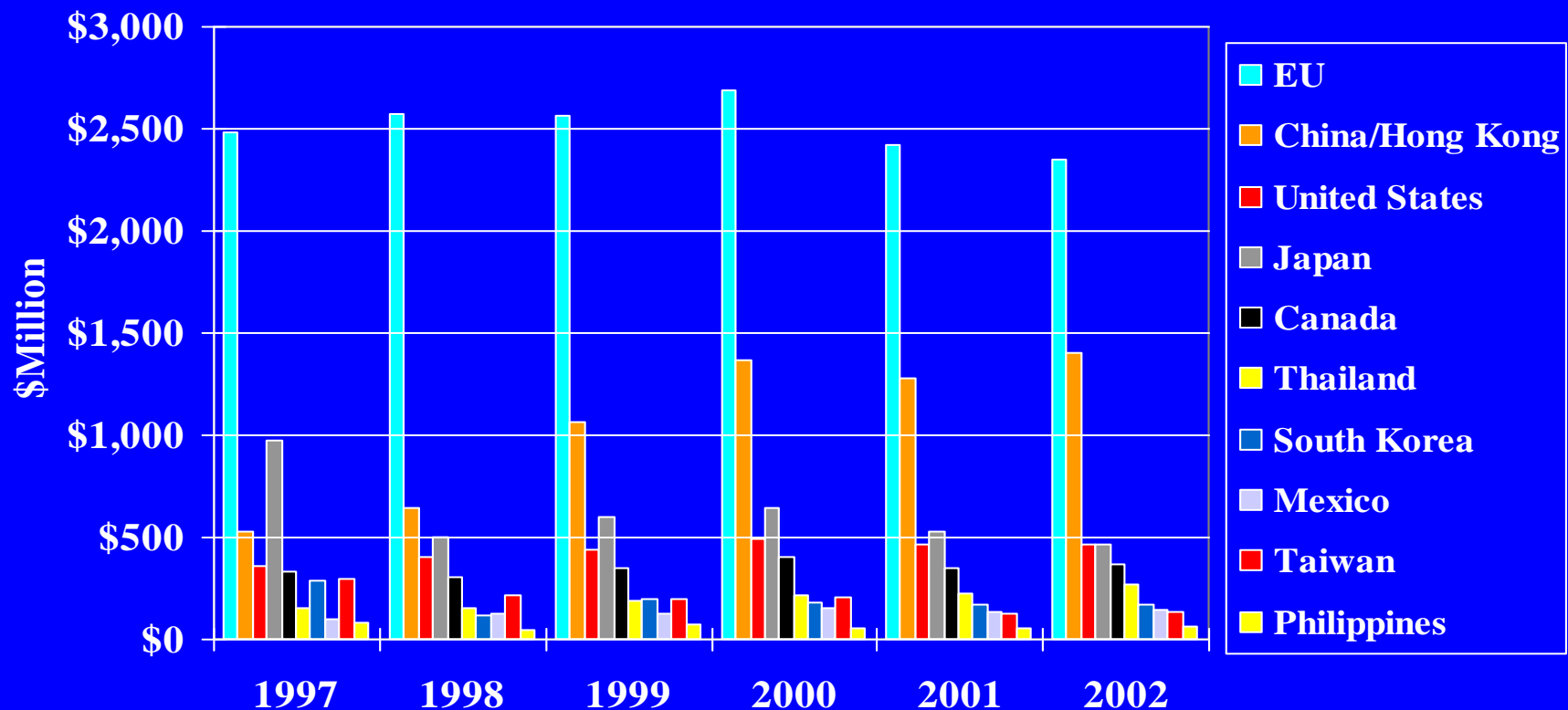
Source: Global Trade Atlas



# World's Leading Hardwood Lumber Importers

- Between 1997 and 2002, EU imports of hardwood lumber decreased from \$2.5 billion to \$2.3 billion. During this period, imports from the United States and Malaysia decreased \$450 million and \$250 million, respectively, while imports from Cameroon increased \$250 million.
- China's imports of hardwood lumber increased from \$530 million in 1997 to \$1.4 billion in 2002. In 1999, China imported \$300 million of hardwood lumber from the EU, most of which was beech. By 2002, China's demand for beech decreased and imports from the EU fell to \$120 million. In 2002, China's hardwood lumber imports from Indonesia, the United States and Malaysia were valued at \$340 million, \$260 million and \$160 million, respectively.

# World's Leading Hardwood Lumber Importers



Source: Global Trade Atlas